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NEWS RELEASE

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CHARLOTTE GUN DEALER CONVICTED IN FEDERAL COURT

CHARLOTTE, NORTH CAROLINA – United States Attorney Gretchen C. F. Shappert for the Western District of North Carolina, Special Agent in Charge Zebedee T. Graham of the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF), and Chief Darrel Stephens of the Charlotte-Mecklenburg Police Department announce today that a federal jury sitting in Charlotte returned guilty verdicts on Friday, December 8, 2006, on nine (9) counts charging violations of the federal firearms statutes against DANIEL J. DEDRICK, of Indian Trail, North Carolina, and his gun dealership, D&C's ASSAULT TECHNOLOGIES, INC.

DEDRICK and ASSAULT TECHNOLOGIES were charged in December 2005 in a multi-count indictment containing allegations that the defendants and another store employee engaged in "straw purchase" sales of firearms to a convicted felon and undercover ATF agents. A "straw purchase" occurs when the actual purchaser of the firearm solicits a middleman to conduct the transaction and complete the ATF Form 4473 in the middleman's name. A "straw purchase" may occur when the actual purchaser of the firearm is ineligible to lawfully purchase the firearm or when the actual purchaser does not want a record of his/her purchase of the firearm. In this case, the purchases were made at times when females accompanied a felon and undercover ATF agents, and the females completed the required paperwork for each firearm. These charges were the result of an

approximately 15-month undercover investigation conducted by ATF and comes as a result of ATF Charlotte Division's firearms trafficking initiative. In addition, DEDRICK was charged with possessing an unregistered fully-automatic machinegun that was found hidden behind the clothes dryer during a search of his residence.

Evidence presented at the five-day trial, which was held in U.S. District Court before Honorable Richard Voorhees, U.S. District Judge for the Western District of North Carolina, in Charlotte, showed that DEDRICK sold three assault rifles (including two semi-automatic AK-47s) to a convicted felon, drug dealer in Charlotte by having other individuals complete the required ATF paperwork, which was designed to insure that felons do not purchase firearms. In addition, other ASSAULT TECHNOLOGIES employees sold numerous pistols to undercover ATF agents but allowed females accompanying the undercover agents to complete the required ATF paperwork for the sales. DEDRICK and ASSAULT TECHNOLOGIES were convicted of various counts related to the "straw purchase" firearm sales, and DEDRICK was also convicted of unlawful possession of the unregistered machinegun. The jury deliberated approximately three (3) hours on the nine counts presented at trial. DEDRICK has been released on bond since his arrest.

In light of the guilty verdict, DEDRICK faces a maximum of twenty-five (25) years imprisonment and a \$1 million fine on the four counts upon which he was convicted on Friday. A sentencing date has not yet been set. He will remain free on bond until he is sentenced and designated a facility by the Federal Bureau of Prisons at which he will serve his federal sentence. Federal sentences are served without possibility of parole. It is important to note, however, that any sentence received upon today's conviction will be influenced by the Federal Sentencing Guidelines, which the Court consults in order to determine each defendant's actual sentence. Sentences are based upon a formula that takes into account the severity and characteristics of the offense and each defendant's criminal history, if any.

The prosecution was handled for the government by Assistant United States Attorneys Matt Martens and Craig Randall. ###